



**Vietnam Dairy Products Joint Stock Company
and its subsidiaries**

**Consolidated interim financial statements
for the nine-month period ended 30 September 2023**



Vietnam Dairy Products Joint Stock Company and its subsidiaries

TABLE OF CONTENTS	PAGE
CORPORATE INFORMATION	2
STATEMENT OF THE BOARD OF MANAGEMENT	3
INTERIM FINANCIAL STATEMENTS REVIEW REPORT	4 – 5
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	6 – 8
CONSOLIDATED STATEMENT OF INCOME	9 – 10
CONSOLIDATED STATEMENT OF CASH FLOWS	11 – 13
NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS	14 – 63

Vietnam Dairy Products Joint Stock Company and its subsidiaries Corporate Information

Business Registration Certificate No.

4103001932
0300588569

20 November 2003
6 December 2022

The Company's business registration certificate has been amended several times, the most recent of which is by the Business Registration Certificate No. 0300588569 dated 6 December 2022. The business registration certificate and its updates were issued by Ho Chi Minh City Planning and Investment Department.

Board of Directors

Mr. Nguyen Hanh Phuc	Chairman
Mdm. Mai Kieu Lien	Member
Mr. Lee Meng Tat	Member
Ms. Dang Thi Thu Ha	Member
Mr. Le Thanh Liem	Member
Mr. Michael Chye Hin Fah	Member
Mr. Do Le Hung	Member
Mr. Alain Xavier Cany	Member
Ms. Tieu Yen Trinh	Member
Mr. Hoang Ngoc Thach	Member

Board of Management

Mdm. Mai Kieu Lien	Chief Executive Officer
Ms. Bui Thi Huong	Executive Director – Human Resource – Administration and Public Relation
Mr. Le Thanh Liem	Executive Director – Finance
Mr. Nguyen Quang Tri	Executive Director – Marketing
Mr. Le Hoang Minh	Executive Director – Production
Mr. Nguyen Quoc Khanh	Executive Director – Research and Development
Mr. Doan Quoc Khanh	Acting Executive Director – Raw Materials Development (from 1 September 2023)
Mr. Trinh Quoc Dung	Executive Director – Raw Materials Development (until 1 August 2023)

Registered Office

10 Tan Trao, Tan Phu Ward
District 7, Ho Chi Minh City
Vietnam

Auditor

KPMG Limited
Vietnam

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Statement of the Board of Management

**STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT IN
RESPECT OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The Board of Management is responsible for the consolidated interim financial statements of Vietnam Dairy Products Joint Stock Company (“the Company”) and its subsidiaries (together referred to as “the Group”) which give a true and fair view of the consolidated financial position of the Group as at 30 September 2023 and of the consolidated results of operations and consolidated cash flows for the nine-month period then ended. In preparing these consolidated interim financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated interim financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are maintained, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and which enable these consolidated interim financial statements to be prepared which comply with Vietnamese Accounting Standard 27 – *Interim Financial Reporting*, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated interim financial statements set out on pages 6 to 63 which give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 30 September 2023, and of the consolidated results of operations and cash flows for the nine-month period then ended in accordance with Vietnamese Accounting Standard 27 – *Interim Financial Reporting*, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.



On behalf of the Board of Management

Mai Kieu Lien
Chief Executive Officer

Ho Chi Minh City, 30 October 2023



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Vietnam Dairy Products Joint Stock Company and its subsidiaries

We have reviewed the accompanying consolidated interim financial statements of Vietnam Dairy Products Joint Stock Company ("the Company") and its subsidiaries (together referred to as "the Group"), which comprise the consolidated statement of financial position as at 30 September 2023, the consolidated statements of income and cash flows for the nine-month period then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 30 October 2023, as set out on pages 6 to 63.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 – *Review of interim financial information performed by the independent auditor of the entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated financial position of Vietnam Dairy Products Joint Stock Company and its subsidiaries as at 30 September 2023 and of their consolidated results of operations and their consolidated cash flows for the nine-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City
Vietnam

Review Report No.: 22-01-00293-23-5



Nguyễn Thụy Ninh
Practicing Auditor Registration
Certificate No. 4623-2023-007-1
Deputy General Director

Ha Vu Dinh
Practicing Auditor Registration
Certificate No. 0414-2023-007-1

Ho Chi Minh City, 30 October 2023

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of financial position as at 30 September 2023

Form B 01a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/9/2023 VND	1/1/2023 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		37,680,161,943,052	31,560,382,174,201
Cash and cash equivalents	110	V.1	6,875,567,986,039	2,299,943,527,624
Cash	111		4,244,364,731,244	1,327,429,518,437
Cash equivalents	112		2,631,203,254,795	972,514,009,187
Short-term financial investments	120		19,012,123,617,176	17,414,055,328,683
Trading securities	121	V.4(a)	1,195,020,206	1,159,355,253
Allowance for diminution in the value of trading securities	122	V.4(a)	(710,963,655)	(689,745,197)
Held-to-maturity investments	123	V.4(b)	19,011,639,560,625	17,413,585,718,627
Accounts receivable – short-term	130		5,931,433,000,484	6,100,402,870,854
Accounts receivable from customers	131		4,432,011,912,404	4,633,942,510,271
Prepayments to suppliers	132		633,286,108,202	589,439,884,812
Other short-term receivables	136	V.3(a)	880,916,713,917	890,466,200,571
Allowance for doubtful debts	137	V.2	(14,781,734,039)	(13,445,724,800)
Inventories	140	V.5	5,697,772,718,120	5,537,563,396,117
Inventories	141	V.5	5,723,674,480,049	5,560,169,453,504
Allowance for inventories	149	V.5	(25,901,761,929)	(22,606,057,387)
Other current assets	150		163,264,621,233	208,417,050,923
Short-term prepaid expenses	151	V.11(a)	76,718,813,343	97,570,693,043
Deductible value added tax	152		79,806,650,784	89,204,099,539
Taxes receivable from State Treasury	153		6,739,157,106	21,642,258,341

The accompanying notes are an integral part of these consolidated interim financial statements

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of financial position as at 30 September 2023 (continued)

Form B 01a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/9/2023 VND	1/1/2023 VND
Long-term assets				
(200 = 210 + 220 + 230 + 240 + 250 + 260)	200		17,287,274,060,546	16,922,282,062,019
Accounts receivable – long-term	210		16,146,741,451	38,422,722,715
Other long-term receivables	216	V.3(b)	16,146,741,451	38,422,722,715
Fixed assets	220		12,056,272,942,904	11,903,207,642,940
Tangible fixed assets	221	V.6	11,042,989,736,407	10,860,366,507,422
Cost	222		30,026,687,876,144	28,502,157,270,867
Accumulated depreciation	223		(18,983,698,139,737)	(17,641,790,763,445)
Intangible fixed assets	227	V.7	1,013,283,206,497	1,042,841,135,518
Cost	228		1,365,216,709,641	1,353,423,614,905
Accumulated amortisation	229		(351,933,503,144)	(310,582,479,387)
Investment property	230	V.8	56,088,244,686	57,593,807,783
Cost	231		98,822,678,885	98,822,678,885
Accumulated depreciation	232		(42,734,434,199)	(41,228,871,102)
Long-term work in progress	240		1,536,422,017,821	1,805,129,940,386
Long-term work in progress	241	V.9	343,358,185,248	334,547,387,349
Construction in progress	242	V.10	1,193,063,832,573	1,470,582,553,037
Long-term financial investments	250		1,424,817,180,754	742,670,306,431
Investments in associates, joint venture	252	V.4(c)	646,178,772,341	664,302,778,018
Equity investments in other entities	253	V.4(c)	101,976,499,081	101,950,219,081
Allowance for diminution in the value of long-term financial investments	254	V.4(c)	(23,582,690,668)	(23,582,690,668)
Held-to-maturity investments	255	V.4(b)	700,244,600,000	-
Other non-current assets	260		2,197,526,932,930	2,375,257,641,764
Long-term prepaid expenses	261	V.11(b)	814,214,244,187	772,804,663,141
Deferred tax assets	262	V.12	-	34,985,203,461
Goodwill	269	V.13	1,383,312,688,743	1,567,467,775,162
TOTAL ASSETS (270 = 100 + 200)	270		54,967,436,003,598	48,482,664,236,220

The accompanying notes are an integral part of these consolidated interim financial statements

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of financial position as at 30 September 2023 (continued)

Form B 01a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/9/2023 VND	1/1/2023 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		20,964,371,994,291	15,666,145,881,135
Current liabilities	310		20,399,327,964,197	15,308,423,081,524
Accounts payable to suppliers	311	V.14	3,550,757,750,659	4,284,158,390,163
Advances from customers	312		200,125,679,398	161,708,567,120
Taxes payable to State Treasury	313	V.16	2,127,261,309,096	598,135,128,295
Payables to employees	314		274,518,436,681	287,914,221,269
Accrued expenses	315	V.17	1,720,002,534,780	1,620,874,538,443
Short-term unearned revenue	318		113,128,183	4,161,405,120
Other short-term payables	319	V.18	5,258,187,477,813	3,055,541,590,234
Short-term borrowings	320	V.15(a)	6,873,932,117,860	4,867,129,839,103
Provision	321	V.19	10,372,921,350	26,635,759,312
Bonus and welfare fund	322	V.20	384,056,608,377	402,163,642,465
Long-term liabilities	330		565,044,030,094	357,722,799,611
Other long-term payables	337	V.18	1,305,641,287	3,711,780,002
Long-term borrowings	338	V.15(b)	282,904,335,540	66,028,725,000
Deferred tax liabilities	341	V.12	280,834,053,267	287,982,294,609
EQUITY (400 = 410)	400		34,003,064,009,307	32,816,518,355,085
Owners' equity	410	V.21	34,003,064,009,307	32,816,518,355,085
Share capital	411	V.22	20,899,554,450,000	20,899,554,450,000
Share premium	412		34,110,709,700	34,110,709,700
Other capital	414		202,658,418,215	202,658,418,215
Foreign exchange differences	417		175,723,530,911	92,498,048,227
Investment and development fund	418		5,932,206,859,820	5,266,761,584,973
Retained profits	421		3,411,311,506,574	3,353,468,092,666
- Retained profits brought forward	421a		1,364,876,145,015	2,682,865,082,625
- Profit for the current period	421b		2,046,435,361,559	670,603,010,041
Non-controlling interest	429		3,347,498,534,087	2,967,467,051,304
TOTAL RESOURCES (440 = 300 + 400)	440		54,967,436,003,598	48,482,664,236,220

30 October 2023

Prepared by:



Le Thanh Liem
Executive Director – Finance
cum Chief Accountant

Approved by:



Mai Kieu Lien
Chief Executive Officer

The accompanying notes are an integral part of these consolidated interim financial statements

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of income for the nine-month period ended 30 September 2023

Form B 02a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Three-month period ended 30/9/2023 VND	30/9/2022 VND	Nine-month period ended 30/9/2023 VND	30/9/2022 VND
Revenue from sales of goods and provision of services	01	VI.1	15,681,494,654,705	16,094,113,384,043	44,848,453,697,461	44,993,997,031,525
Revenue deductions	02	VI.1	44,506,970,023	14,621,959,913	98,249,130,446	106,404,491,560
Net revenue (10 = 01 - 02)	10	VI.1	15,636,987,684,682	16,079,491,424,130	44,750,204,567,015	44,887,592,539,965
Cost of sales	11	VI.2	9,082,087,041,307	9,729,311,781,833	26,647,085,543,095	26,835,949,445,303
Gross profit (20 = 10 - 11)	20		6,554,900,643,375	6,350,179,642,297	18,103,119,023,920	18,051,643,094,662
Financial income	21	VI.3	483,829,853,834	338,615,402,043	1,287,498,870,838	1,000,713,656,516
Financial expenses	22	VI.4	110,138,422,955	142,793,205,373	384,336,931,673	410,294,424,385
<i>In which: Interest expense</i>	23		79,600,679,532	49,942,302,240	257,863,234,094	112,812,544,948
Share of (loss)/gain in associates, joint venture	24	V.4(c)	(27,632,597,830)	4,691,288,456	(52,593,838,412)	(19,919,393,354)
Selling expenses	25	VI.5	3,382,491,600,883	3,260,867,271,142	9,524,380,284,565	9,213,207,698,460
General and administration expenses	26	VI.6	432,197,136,598	400,896,379,672	1,251,496,394,783	1,146,919,262,607
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		3,086,270,738,943	2,888,929,476,609	8,177,810,445,325	8,262,015,972,372
Other income	31	VI.7	37,955,648,630	41,224,997,384	112,587,360,815	140,656,219,626
Other expenses	32	VI.8	48,436,566,422	70,271,306,667	174,563,015,033	202,379,757,088
Results of other activities (40 = 31 - 32)	40		(10,480,917,792)	(29,046,309,283)	(61,975,654,218)	(61,723,537,462)
Profit before tax (50 = 30 + 40) (carried forward to next page)	50		3,075,789,821,151	2,859,883,167,326	8,115,834,791,107	8,200,292,434,910

The accompanying notes are an integral part of these consolidated interim financial statements

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of income for the nine-month period ended 30 September 2023 (continued)

Form B 02a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Three-month period ended 30/9/2023 VND	30/9/2022 VND	Nine-month period ended 30/9/2023 VND	30/9/2022 VND
Profit before tax (50 = 30 + 40) (brought forward from previous page)	50		3,075,789,821,151	2,859,883,167,326	8,115,834,791,107	8,200,292,434,910
Income tax expense – current	51	VI.10	548,401,617,475	534,337,235,466	1,421,197,357,086	1,487,001,478,048
Income tax expense/(benefit) – deferred	52	VI.10	(5,876,182,583)	2,673,735,355	25,988,758,925	4,837,195,325
Net profit after tax (60 = 50 - 51 - 52)	60		2,533,264,386,259	2,322,872,196,505	6,668,648,675,096	6,708,453,761,537
Attributable to:						
Equity holders of the Company	61		2,492,254,015,001	2,298,398,907,051	6,547,798,456,797	6,646,898,122,727
Non-controlling interest	62		41,010,371,258	24,473,289,454	120,850,218,299	61,555,638,810
Basic earnings per share	70	VI.11	1,066	985	2,797	2,835

30 October 2023

Prepared by:



Le Thanh Liem
Executive Director – Finance
cum Chief Accountant

Approved by:



Mai Kieu Lien
Chief Executive Officer

The accompanying notes are an integral part of these consolidated interim financial statements

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of cash flows for the nine-month period ended 30 September 2023
(Indirect method)

Form B 03a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

			Nine-month period ended	
	Code	Note	30/9/2023 VND	30/9/2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	01		8,115,834,791,107	8,200,292,434,910
Adjustments for				
Depreciation and amortisation	02		1,536,720,294,113	1,576,984,161,903
Amortisation of goodwill	02	V.13	184,155,086,419	184,155,086,419
Allowances and provisions	03		9,514,355,497	(23,367,960,513)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		3,875,520,444	40,931,892,125
Losses on disposals/written-off fixed assets and construction in progress	05		40,917,248,423	66,267,357,527
Dividends, interest income and other gain from investment activities	05		(1,150,255,683,946)	(896,342,553,697)
Share of loss in associates, joint venture	05		52,593,838,412	19,919,393,354
Interest expense	06	VI.4	257,863,234,094	112,812,544,948
Operating profit before changes in working capital	08		9,051,218,684,563	9,281,652,356,976
Change in receivables	09		519,145,360,698	35,779,648,552
Change in inventories	10		(443,166,428,386)	751,149,871,934
Change in payables and other liabilities	11		(996,232,908)	(973,717,323,862)
Change in prepaid expenses	12		(4,154,870,791)	(48,397,239,284)
Interest paid	14		(244,600,479,198)	(68,409,051,449)
Income tax paid	15	V.16	(728,954,499,997)	(793,065,399,736)
Other payments for operating activities	17		(746,343,653,700)	(994,924,821,938)
Net cash flows from operating activities	20		7,402,147,880,281	7,190,068,041,193

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of cash flows for the nine-month period ended 30 September 2023
(Indirect method – continued)

Form B 03a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

		Nine-month period ended	
	Code Note	30/9/2023 VND	30/9/2022 VND
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(1,059,752,276,982)	(912,623,062,102)
Receipts from disposals of fixed assets and construction in progress	22	76,179,396,452	105,607,940,176
Payments for term deposits	23	(2,280,884,647,496)	-
Receipts from term deposits	24	-	1,520,588,539,285
Payments for investments in other entities	25	(35,769,832,735)	(30,900,000,000)
Receipts of interest and dividends	27	872,431,332,214	761,897,009,390
Net cash flows from investing activities	30	(2,427,796,028,547)	1,444,570,426,749
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital contributed by non-controlling interest to a subsidiary	31	489,979,882,000	-
Capital refunded to a non-controlling interest of a dissolved subsidiary	32	(142,548,827,636)	-
Proceeds from borrowings	33	8,742,371,252,978	6,183,070,047,738
Payments to settle loan principals	34	(6,530,465,387,827)	(6,213,821,552,180)
Payments of dividends	36	(2,925,937,623,000)	(8,046,328,463,250)
Payments of dividends of subsidiaries to non-controlling interest	36	(35,136,976,500)	(52,516,937,250)
Net cash flows from financing activities	40	(401,737,679,985)	(8,129,596,904,942)

The accompanying notes are an integral part of these consolidated interim financial statements



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Consolidated statement of cash flows for the nine-month period ended 30 September 2023
(Indirect method – continued)

Form B 03a – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Nine-month period ended 30/9/2023 VND	30/9/2022 VND
Net cash flows during the period (50 = 20 + 30 + 40)	50		4,572,614,171,749	505,041,563,000
Cash and cash equivalents at the beginning of the period	60		2,299,943,527,624	2,348,551,874,348
Effect of exchange rate fluctuations on cash and cash equivalents	61		(735,329,572)	63,996,299
Currency translation differences	62		3,745,616,238	14,200,283,867
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61 + 62)	70	V.1	6,875,567,986,039	2,867,857,717,514

30 October 2023

Prepared by:



Le Thanh Liem
*Executive Director – Finance
cum Chief Accountant*

Approved by:



Mai Kieu Lien
Chief Executive Officer

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

These notes form an integral part of and should be read in conjunction with the accompanying consolidated interim financial statements.

I. CORPORATE INFORMATION

1. Ownership structure

Vietnam Dairy Products Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

Major milestones related to the establishment and development of the Company and its subsidiaries (collectively referred to as “the Group”) are achieved as follows:

- 20 August 1976: The Company was established on the basis of three dairy factories: Thong Nhat Dairy Factory, Truong Tho Dairy Factory, Dielac Powdered Milk Factory.
- 29 April 1993: Vietnam Dairy Products Company was established according to Decision No. 420/CNN/TCLD issued by the Ministry of Light Industry in form of a State-owned Enterprise.
- 1 October 2003: The Company was equitised from a State-owned Enterprise of the Ministry of Industry according to Decision No. 155/2003/QĐ-BCN.
- 20 November 2003: The Company was registered as a joint stock company and began operating under Enterprise Laws of Vietnam and its Business Registration Certificate No. 4103001932 was issued by Ho Chi Minh City Planning and Investment Department.
- 28 December 2005: The State Securities Commission of Vietnam issued Listed Licence No. 42/UBCK-GPNY.
- 19 January 2006: The Company’s shares were listed on Ho Chi Minh City Stock Exchange.
- 14 December 2006: Vietnam Dairy Cow One Member Limited Company was established in accordance with the Business License No. 150400003 issued by the Department of Planning and Investment of Tuyen Quang Province.
- 21 October 2013: Thong Nhat Thanh Hoa Dairy Cow Limited Company was established in accordance to Business Registration Certificate No. 2801971744 issued by the Department of Investment and Planning of Thanh Hoa Province.
- 6 December 2013: The Company received Foreign Investment Certificate No. 663/BKHĐT-ĐTRNN issued by the Ministry of Investment and Planning, investing in Driftwood Dairy Holding Corporation in California, the United States of America. As at 31 December 2013, the Company completed a transfer of its investment of USD7 million and held 70% of ownership in Driftwood Dairy Holding Corporation.
- 6 January 2014: The Company received Foreign Investment Certificate No. 667/BKHĐT-ĐTRNN issued by the Ministry of Investment and Planning, investing in Angkor Dairy Products Co., Ltd. in Phnom Penh, Cambodia with 51% of ownership.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

- 30 May 2014: The Company received Foreign Investment Certificate No. 709//BKHĐT-ĐTRNN issued by the Ministry of Investment and Planning, to establish Vinamilk Europe sp.z.o.o in Poland with 100% of ownership.
- 19 May 2016: The Company received Foreign Investment Certificate No. 201600140 issued by the Ministry of Investment and Planning, approved additional investment in Driftwood Dairy Holding Corporation amounted to USD3 million. As at 30 June 2016, the Company completed a transfer of its investment of USD3 million, bringing the total investment to USD10 million and increased ownership percentage in Driftwood Dairy Holding Corporation from 70% to 100%.
- 31 July 2017: On 23 March 2017, the Company received its first revised offshore investment registration certificate dated 10 March 2017 issued by the Ministry of Planning and Investment of Vietnam, in relation to Angkor Dairy Products Co., Ltd. (“Angkormilk”). Accordingly, the Company’s total investment capital increased from USD10,210,000 to USD20,995,390. The reason of capital increase was to purchase the entire capital contribution of the local partner in Angkormilk. As at 31 July 2017, the Company completed the transfer of its investment, bringing the total investment to USD20.9 million and increased ownership percentage in Angkormilk from 51% to 100%.
- 21 October 2017: On 30 September 2017, the Company entered into an agreement to acquire the remaining 3.89% of its equity interest in Thong Nhat Thanh Hoa Limited Company from non-controlling shareholders. The transaction was completed on 21 October 2017.
- 1 November 2017: On 25 October 2017, the Company entered into an agreement to purchase newly issued shares of Khanh Hoa Sugar Joint Stock Company and took 65% equity interest. The transaction was completed on 1 November 2017. From 14 November 2017, Khanh Hoa Sugar Joint Stock Company changed its name to Viet Nam Sugar Joint Stock Company.
- 23 November 2018: In July 2018, the Company entered into an agreement to acquire 51% equity interest of Lao-Jagro Development Xiengkhouang Co., Ltd to develop a high-tech beef – dairy farm complex. The transaction was completed on 23 November 2018. On 29 January 2019, the Company invested VND51,547 million representing its percentage of equity interest in this entity following the shareholders’ decision. On 1 April 2019 and 15 July 2021, the Company paid VND154,391 million and VND20,790 million, respectively, to the former owners according to the Share Purchase Agreement.
- 12 September 2019: The Company received the second revised Oversea Investment Registration Certificate no. 201600140 in which the Company’s investment in its 100% owned subsidiary named Driftwood Dairy Holding Corporation in California, United States increased from USD10 million to USD20 million. As at 30 September 2019, the Company completed the transfer of its investment.
- 19 December 2019: The Company completed its acquisitions of 75% of equity interest of GTNFoods Joint Stock Company through various acquisition transactions.
- 10 August 2020: The Company received the first amendment of the foreign Investment Registration Certificate dated 10 August 2020 from the Ministry of Planning and Investment to increase the Company’s investment capital in Lao-Jagro from USD25,411,924 to USD66,413,630.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

- 19 November 2020: The Company's Board of Directors approved the resolution to close the subsidiary Vinamilk Europe Spółka Z Ograniczona Odpowiedzialnoscia. In November 2021, the Company collected VND42,194 million from the dissolution. The dissolution was completed in 2022.
- 31 January 2021: On 31 January 2021, the Company, GTNFoods Joint Stock Company, and Vietnam Livestock Corporation – Joint Stock Company have completed the acquisition of 9.7 million, 29.5 million and 1.7 million additional shares issued by Moc Chau Dairy Cattle Breeding Joint Stock Company, respectively.
- 1 March 2021: Vibev Food and Beverage Joint Venture Company Limited, 51% owned subsidiary, was established in accordance with the Business License No. 0316724859 issued by the Ho Chi Minh City Planning and Investment Department. On 9 April 2021 and 10 June 2021, the Company contributed capital amounting to VND51,000 million and VND153,000 million, respectively, to Vibev Food and Beverage Joint Venture Company Limited for the establishment of this subsidiary.
- 19 April 2021: On 19 April 2021 and 29 December 2021, the Company contributed capital amounting to VND328,578 million and VND11,232 million, respectively, to Lao-Jagro Development Xiengkhouang Co., Ltd.
- 27 September 2021: Japan Vietnam Livestock Company Limited, 51% owned subsidiary of Vietnam Livestock Corporation – Joint Stock Company, was established in accordance with the Business License No. 0109752537 issued by the Ha Noi City Planning and Investment Department. Vietnam Livestock Corporation – Joint Stock Company contributed capital amounting to VND23,460 million to Japan Vietnam Livestock Company Limited for the establishment of this subsidiary.
- 9 March 2022: The Company contributed additional capital amounting to USD8,220,273 (equivalent to VND188,902 million) to Lao Jagro Development Xiengkhouang Co., Ltd. As the result, the Company's ownership in Lao Jagro Development Xiengkhouang Co., Ltd increased from 85.54% to 87.32% as other investors did not continue to contribute capital to this subsidiary.
- 14 March 2022: The entire shares of GTNFoods Joint Stock Company owned by the Company were swapped with 117,187,500 shares of Vietnam Livestock Corporation – Joint Stock Company. Thereafter, GTNFoods Joint Stock Company was merged into Vietnam Livestock Corporation – Joint Stock Company.
- 30 November 2022: The Company's Board of Directors approved the resolution to dissolve Vibev Food and Beverage Joint Venture Company Limited. During the second quarter of 2023, the dissolution was completed.
- 22 December 2022: Vietnam Livestock Corporation – Joint Stock Company contributed additional capital amounting to VND351,900 million to Japan Vietnam Livestock Company Limited.
- 21 March 2023: The Company contributed additional capital amounting to VND11,875 million (equivalent to USD500,000) to Del Monte – Vinamilk Dairy Inc., Phillipines.
- 18 May 2023: The Company contributed additional capital amounting to VND59.6 million (equivalent to USD2,521) to Angkor Dairy Products Co., Ltd.
- 28 June 2023: Vietnam Livestock Corporation – Joint Stock Company contributed additional capital amounting to VND351,900 million to Japan Vietnam Livestock Company Limited.



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

- 22 August 2023 The Company contributed additional capital amounting to VND23,895 million (equivalent to USD999,993) to Del Monte – Vinamilk Dairy Inc., Phillipines.
- 28 August 2023 The Company purchased 29,296,875 additional shares in total of 40,145,438 shares issued by Vietnam Livestock Corporation – Joint Stock Company for a consideration of VND410,156 million. As the result, the Company's ownership in Vietnam Livestock Corporation – Joint Stock Company, Moc Chau Dairy Cattle Breeding Joint Stock Company, and Japan Vietnam Livestock Company Limited has increased.

2. Principal activities

The principal activities of the Group are to:

- Process, manufacture and distribute milk cake, soya milk, fresh milk, refreshment drinks, bottled milk, powdered milk, nutritious powder and other products from milk;
- Trade in food technology, spare parts, equipment, materials and chemicals;
- Trade in real estate, own or lease land use rights (according to Article no. 11.3 of 2014 Real Estate Law);
- Trade in warehouse, yards;
- Provide internal transportation by cars for manufacturing and consuming Company's products;
- Manufacture, sell and distribute beverages, grocery and processing foods, roasted-ground-filtered and instant coffee (not manufacturing and processing at the head office);
- Manufacture and sell plastic, packaging (not at the head office);
- Provide healthcare clinic services (not at the head office);
- Raise cattle, cultivation;
- Retail sugar, milk and products from milk, bread, jam, candy and products processed from cereal, flour, starch and other food;
- Retail alcoholic drinks, non-alcoholic drinks (carbonated and non-carbonated soft drinks), natural mineral water, low-alcoholic or non-alcoholic wine and beer;
- Manufacture and trade products from tea and wine; and
- Manufacture, breed, process and trade cattle and poultry products and premix products for livestock.

3. Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

4. Group structure

As at 30 September 2023, the Group had 9 subsidiaries, 8 associates, 1 joint venture and dependent units (1/1/2023: 10 subsidiaries, 8 associates, 1 joint venture and dependent units) as follows:

(a) Subsidiaries

Name	Location	Principal activities	Economic interest	
			30/9/2023	1/1/2023
Directly owned subsidiaries				
▪ Vietnam Dairy Cow One Member Limited Company	10 Tan Trao, Tan Phu Ward, District 7, Ho Chi Minh City	Dairy cow raising	100.00%	100.00%
▪ Thong Nhat Thanh Hoa Dairy Cow One Member Limited Company	Ward 1, Thong Nhat Town, Yen Dinh District, Thanh Hoa Province	Milk production and cattle raising	100.00%	100.00%
▪ Driftwood Dairy Holding Corporation	No. 10724, Street Lower Azusa and El Monte Boulevards Intersection, California 91731-1390, United States	Milk production	100.00%	100.00%
▪ Angkor Dairy Products Co., Ltd.	Lot P2-096 and P2-097, Phnom Penh Special Economic Zone (PPSEZ), National Highway 4, Khan Posenchey, Phnom Penh, Kingdom of Cambodia	Milk production	100.00%	100.00%
▪ Vietnam Sugar Joint Stock Company	Thuy Xuong Village, Suoi Hiep Commune, Dien Khanh District, Khanh Hoa Province	Sugar producing and refining	65.00%	65.00%
▪ Lao-Jagro Development Xiengkhouang Co., Ltd.	Boungvene Village, Paek District, Xiengkhouang Province, Lao PDR	Dairy cow raising and agricultural products trading	87.32%	87.32%
▪ Vietnam Livestock Corporation – Joint Stock Company (**)	519 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Ha Noi City	Manufacturing, breeding, processing and trading of cattle and poultry products	68.94%	68.00%
▪ Vibev Food and Beverage Joint Venture Company Limited (*)	10 Tan Trao, Tan Phu Ward, District 7, Ho Chi Minh City	Producing ice cream and beverages	-	51.00%

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Name	Location	Principal activities	Economic interest	
			30/9/2023	1/1/2023

Indirectly owned subsidiaries through Vietnam Livestock Corporation – Joint Stock Company

▪ Moc Chau Dairy Cattle Breeding Joint Stock Company (**)	Km194 Moc Chau Farm Town, Phiang Luong, Moc Chau District, Son La Province	Processing of milk and dairy products	49.73%	49.17%
▪ Japan Vietnam Livestock Company Limited (**)	519 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Ha Noi City	Importing, processing and trading beef products	35.16%	34.68%

(*) On 30 November 2022, the Company's Board of Directors approved the resolution to dissolve this subsidiary. During the second quarter of 2023, the dissolution was completed.

(**) On 28 August 2023, The Company purchased 29,296,875 additional shares in total of 40,145,438 shares issued by Vietnam Livestock Corporation – Joint Stock Company for a consideration of VND410,156 million. As the result, the Company's ownership in Vietnam Livestock Corporation – Joint Stock Company, Moc Chau Dairy Cattle Breeding Joint Stock Company, and Japan Vietnam Livestock Company Limited has increased.

(b) Associates, joint venture

Name	Location	Principal activities	Economic interest	
			30/9/2023	1/1/2023

Directly owned associates, joint venture

▪ Miraka Holdings Limited (*)	108 Tuwharetoa, Taupo, New Zealand	Milk production	13.55%	16.96%
▪ APIS Corporation	No. 18A, VSIP II-A, 27 Street, Viet Nam – Singapore II-A Industrial Zone, Vinh Tan Ward, Tan Uyen District, Binh Duong Province	Food raw materials trading	20.00%	20.00%
▪ Asia Coconut Processing Joint Stock Company	Giao Long Industrial Zone, Phase II, An Phuoc Commune, Chau Thanh District, Ben Tre Province, Vietnam	Coconut-based products manufacturing and trading	24.96%	24.96%
▪ Del Monte – Vinamilk Dairy Inc., Philippines	JV Campos Centre, 9 th Avenue corner, 30 th Street, Bonifacio Global City, Taguig City, Philippines	Importing and trading milk and dairy products	50.00%	50.00%

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

- (*) In 2023, Miraka Holdings Limited has increased its capital. Other investors have contributed additional capital to this entity; however, the Company did not contribute additional capital accordingly. As a result, the Company's ownership in this entity has decreased from 16.96% to 13.55%. Miraka Holdings Limited is still considered as an associate of the Company because the Company has significant influence over the financial and operation activities of this entity through the right to appoint a member in the Board of Directors of this entity.

Indirectly owned associates through Vietnam Livestock Corporation – Joint Stock Company

As at 30 September 2023, there were 5 associates (1/1/2023: 5 associates) indirectly owned through Vietnam Livestock Corporation – Joint Stock Company.

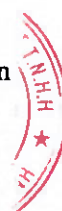
(c) Dependent units

Sales branches:

- 1/ Vietnam Dairy Products Joint Stock Company's Branch in Ha Noi – 11th Floor, Tower B, Handi Resco Building, 521 Kim Ma, Ngoc Khanh Ward, Ba Dinh District, Ha Noi City.
- 2/ Vietnam Dairy Products Joint Stock Company's Branch in Da Nang – 7th Floor, Danang Post Office Tower, 271 Nguyen Van Linh, Vinh Trung Ward, Thanh Khe District, Da Nang City.
- 3/ Vietnam Dairy Products Joint Stock Company's Branch in Can Tho – 77-77B Vo Van Tan, Tan An Ward, Ninh Kieu District, Can Tho City.

Manufacturing factories:

- 1/ Thong Nhat Dairy Factory – 12 Dang Van Bi, Thu Duc District, Ho Chi Minh City.
- 2/ Truong Tho Dairy Factory – 32 Dang Van Bi, Thu Duc District, Ho Chi Minh City.
- 3/ Dielac Dairy Factory – Bien Hoa I Industrial Park, Dong Nai Province.
- 4/ Can Tho Dairy Factory – Tra Noc Industrial Park, Can Tho City.
- 5/ Sai Gon Dairy Factory – Tan Thoi Hiep Industrial Park, District 12, Ho Chi Minh City.
- 6/ Nghe An Dairy Factory – Sao Nam Street, Nghi Thu Commune, Cua Lo Town, Nghe An Province.
- 7/ Binh Dinh Dairy Factory – 87 Hoang Van Thu, Quang Trung Ward, Quy Nhon City, Binh Dinh Province.
- 8/ Vietnam Beverage Factory – My Phuoc II Industrial Park, Binh Duong Province.
- 9/ Tien Son Dairy Factory – Tien Son Industrial Park, Bac Ninh Province.
- 10/ Da Nang Dairy Factory – Hoa Khanh Industrial Park, Da Nang City.
- 11/ Vietnam Powdered Milk Factory – 9 Tu Do Boulevard – Vietnam-Singapore Industrial Park, Thuan An District, Binh Duong Province.
- 12/ Vietnam Dairy Factory – My Phuoc II Industrial Park, Binh Duong Province.
- 13/ Lam Son Dairy Factory – Le Mon Industrial Zone, Thanh Hoa City, Thanh Hoa Province.



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Warehouses:

- 1/ Ho Chi Minh Logistic Enterprise – 32 Dang Van Bi, Thu Duc District, Ho Chi Minh City.
- 2/ Hanoi City Logistic Enterprise – Km 10 Highway 5, Duong Xa Commune, Gia Lam District, Ha Noi City.

Clinic:

- 1/ An Khang Clinic – Pharmacy – 184-186-188 Nguyen Dinh Chieu, Ward 6, District 3, Ho Chi Minh City.

Raw milk center:

- 1/ Branch of Vietnam Dairy Products Joint Stock Company's – Cu Chi Raw Milk Center - Lot B14-1, B14-2 D4, Dong Nam Industrial Zone, Hoa Phu Commune, Cu Chi District, Ho Chi Minh City.

As at 30 September 2023, the Group had 9,776 employees (1/1/2023: 9,506 employees).

II. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

1. Annual accounting period

The annual accounting period of the Group is from 1 January to 31 December.

2. Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated interim financial statement presentation purpose.

III. ACCOUNTING STANDARDS AND SYSTEM

1. Statement of compliance

The consolidated interim financial statements have been prepared in accordance with Vietnamese Accounting Standards 27 – *Interim Financial Reporting*, the Vietnamese Accounting System for enterprises and the relevant statutory requirement applicable to interim financial reporting.

2. Basis of measurement

The consolidated interim financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated interim financial statements.

The accounting policies that have been adopted by the Group in the preparation of these consolidated interim financial statements are consistent with those adopted in the preparation of the latest consolidated annual financial statements.

1. Basis of consolidation

(a) Subsidiaries

Subsidiaries are those entities in which the Group has control over the financial and operating policies, generally evidenced by holding more than half of voting rights. In assessing control, exercisable potential voting rights are taken into account. The interim financial statements of the subsidiaries are included in the consolidated interim financial statements from the date that control commences until the date that control ceases.

(b) Non-controlling interests

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

(c) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of income. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the consolidated interim financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(d) Associates and joint venture

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Associates and joint ventures are those entities in which the Group normally hold 20% to 50% of voting rights in these entities.

Associates and joint ventures are accounted for using the equity method. The consolidated interim financial statements include the Group's share of the income and expenses of the associates and joint ventures after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate or a joint venture, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate or joint venture.

(e) Transactions eliminated on consolidation

Intra-group balances, transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated interim financial statements. Unrealised gains and losses arising from transactions with associates, joint venture are eliminated against the investment to the extent of the Group's interest in the associate or joint venture.

(f) Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

2. Foreign currency

(a) Foreign currency transactions

Transactions in currencies other than VND during the period have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the accounting period quoted by the commercial bank where the Company and its subsidiaries most frequently conduct transactions and has the largest outstanding balance of foreign currencies at the end of the accounting period.

All foreign exchange differences are recorded in the consolidated statement of income.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to VND at exchange rates at the end of the accounting period. Income and expenses of foreign operations are translated to VND at average exchange rates of the period.

Foreign currency differences arising from the translation of foreign operations are recognised in the consolidated statement of financial position under the caption “Foreign exchange differences” in equity.

3. Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amount of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

4. Investments

(a) Trading securities

Trading securities are those held by the Group for trading purpose, include those with maturity periods more than 12 months that are purchased for resale with the aim of making profits. Trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less allowance for diminution in value.

Trading securities shall be recorded when the Group acquires the ownership, in particular:

- Listed securities are recognised at the time of matching (T+0).
- Unlisted securities are recognised at the time the ownership is acquired as prescribed in the Vietnamese laws and regulations.

An allowance is made for diminution in value of trading securities if market price of the securities item falls below its carrying amount. The allowance is reversed if there is evidence that the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities’ carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(b) Held-to-maturity investments

Held-to-maturity investments are those that the Group’s management has intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank. These investments are stated at costs less allowance for diminution in the value.

Held-to-maturity investments classified as monetary items denominated in foreign currencies are revaluated at actual exchange rate at the reporting date.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(c) Loans receivable

Loans receivable are loans granted under an agreement between parties but not being traded as securities in the market. Allowance for doubtful loans receivable is made for each of the doubtful debt based on overdue days in payment of principals according to initial debt commitment (exclusive of the debt rescheduling between contractors), or based on the estimated possible loss that may arise.

(d) Investment in equity instruments of other entities

Investment in equity instruments of other entities is initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Group to lose their invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

5. Accounts receivable

Accounts receivable are monitored in detail of receivable terms, receivable parties, original currency and other factors depending on the Group's managerial requirements. Accounts receivable from customers include trade receivables arising from buying-selling transactions. Other receivables include non-trade receivables, not related to buying-selling transactions. Accounts receivable are classified as short-term and long-term in the consolidated statement of financial position based on the remaining period of these receivables at the reporting date.

Trade and other receivables are stated at cost less allowance for doubtful debts. Allowance for doubtful debts is made for each doubtful debt based on overdue days in payment of principals according to initial debt commitment (exclusive of the debts rescheduling between contracting parties), or based on expected loss that may arise.

Trade and other receivables classified as monetary items denominated in foreign currencies are revaluated at actual exchange rate at the reporting date.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

6. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Group applies the perpetual method of accounting for inventories.

7. Tangible fixed assets

(a) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use, and the costs of dismantling and removing the asset and restoring the site on which it is located. Expenditure incurred after tangible fixed assets have been put into operation, such as repair and maintenance and overhaul cost, is charged to the consolidated statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(b) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 – 50 years
▪ machinery and equipment	2 – 20 years
▪ motor vehicles	4 – 10 years
▪ office equipment	2 – 12 years
▪ livestock	6 years
▪ others	3 – 20 years

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

8. Intangible fixed assets

(a) Land use rights

Definite life land use rights are stated at cost less accumulated amortisation. The initial cost of land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over the valid term of land use rights certificate.

Indefinite life land use rights are stated at cost and not amortised.

Land lease right acquired through business combination are initially recognised at fair value and amortised on a straight-line basis over the term of the lease.

(b) Trademark

Trademark acquired through business combinations are initially recognised at fair value and amortised on a straight-line basis over 20 years.

(c) Raw material area

Raw material area acquired through business combination are initially recognised at fair value and amortised on a straight-line basis over 18 years.

(d) Software

Cost of acquiring of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over 2 – 8 years.

(e) Others

Other intangible assets are amortised on a straight-line basis over 4 – 10 years.

9. Investment property

(a) Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repair and maintenance, is charged to the consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(b) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of investment property held to earn rental. The estimated useful lives are as follows:

- | | |
|---------------------------------|---------------|
| ▪ definite life land use rights | 13 – 50 years |
| ▪ infrastructure | 8 – 10 years |
| ▪ buildings | 6 – 50 years |

Indefinite life land use rights are not amortised.

10. Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

11. Prepaid expenses

(a) Prepaid land costs

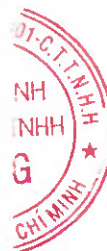
Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease.

(b) Tools and instruments

Tools and instruments include assets held for use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Costs of tools and instruments are amortised on a straight-line basis over 1 – 5 years.

(c) Others

Others are recorded at cost and amortised on a straight-line basis over their economic useful lives of 1 – 3 years.



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

12. Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint venture. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income.

Goodwill arising on acquisition of a subsidiary is amortised on a straight-line basis over 10 years. Carrying value of goodwill arising on acquisition of a subsidiary is written down to recoverable amount as management determines that it is not fully recoverable.

In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment and is not amortised.

13. Trade and other payables

Accounts payable are monitored in details by payable terms, payable parties, original currency and other factors depending on the Group's managerial requirements. Accounts payable to suppliers include trade payables arising from transaction of buying-selling transactions and payables for import through entrustees (in import entrustment transactions). Other payables include non-trade payables, not related to buying-selling transactions. Accounts payable are classified as short-term and long-term in the consolidated statement of financial position based on the remaining period of these payables at the reporting date.

Trade and other payables are stated at their cost. Trade and other payables classified as monetary items denominated in foreign currencies are revaluated at actual exchange rate at the reporting date.

14. Accrued expenses

Accrued expenses include those made for goods, services received from suppliers in the accounting period but not yet paid due to the lack of receipts or supporting documents, are recognised in the reporting period based on the term stated in the respective contracts.

15. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

16. Share capital

(a) Ordinary shares

Ordinary shares are stated at par value. Excess of cash received from share issues over par value is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

(b) Repurchase and reissue of ordinary shares (treasury shares)

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognised as equity are repurchased, their par value amount is recognised as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

17. Taxation

Income tax on the consolidated profit or loss for the period comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using the tax rates enacted or substantively enacted at the end of the accounting period.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

18. Revenue and other income

(a) Goods sold

Revenue from the sale of goods is recognised in the consolidated statement of income when significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(b) Services rendered

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction at the end of the accounting period. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(c) Rental income

Rental income from leased property is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(d) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(e) Dividend income

Dividend income is recognised when the right to receive dividend is established.

(f) Income from disposal of short-term and long-term financial investments

Income from disposal of short-term and long-term financial investments is recognised in the consolidated statement of income when significant risks and rewards of ownership have been transferred to the buyer. Significant risks and rewards of ownership have been transferred upon the completion of the trading transaction (for listed securities) or the completion of the agreement on transfer of assets (for non-listed securities).

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

19. Revenue deductions

Revenue deductions include sales discounts, sales allowances and sales returns.

In case goods were sold or services were provided during the reporting period but the related sales discounts, sales allowances or sales returns occur in the following period, revenue deductions are recognised in the reporting period only if such payments occur prior to the issuance of the consolidated interim financial statements.

20. Cost of sales

Cost of sales comprise the cost of products, goods and services provided during the period and is recognised corresponding to revenue. For cost of direct raw materials consumed which is over the normal level, labour cost and manufacturing overheads not allocated to finished goods are recorded directly into the cost of sales (after deducting compensations, if any) even if products and goods are not yet determined to be consumed.

21. Operating lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense, over the term of the lease.

22. Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

23. Dividend distribution

The Group's net profit after tax is available for appropriation to shareholders as dividends after approval by shareholders at the Company's Annual General Meeting and after making appropriation to reserve funds in accordance with the Company's Charter.

Dividends are declared and paid based on the estimated earnings of the year. Final dividends are declared and paid in the following year from undistributed earnings based on the approval of shareholders at the Company's Annual General Meeting.



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

24. Funds

Appropriation to funds is made in accordance with the Company's Charter as follows:

- | | |
|-----------------------------------|-------------------------|
| ▪ Bonus and welfare fund | 10% of profit after tax |
| ▪ Investment and development fund | 10% of profit after tax |

Utilisation of the above funds requires approval of the shareholders, the Board of Directors or the Chief Executive Officer, depending on the nature and magnitude of the transactions involved as stated in the Company's Charter.

25. Earnings per share

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company (after appropriation to bonus and welfare fund for the accounting period) by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

26. Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on geographical segments.

27. Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by, or under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprises, key management personnel, including directors and officers of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

28. Comparative information

Comparative information in these consolidated interim financial statements is presented as corresponding figures. Under this method, comparative information for the prior period is included as an integral part of the current period consolidated interim financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current period. Accordingly, the comparative information included in these consolidated interim financial statements is not intended to present the Group's consolidated financial position, results of operation or cash flows for the prior period.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

V. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. Cash and cash equivalents

	30/9/2023	1/1/2023
	VND	VND
Cash on hand	1,123,143,152	1,715,151,072
Cash in bank	4,243,241,588,092	1,325,714,367,365
Cash equivalents	2,631,203,254,795	972,514,009,187
	6,875,567,986,039	2,299,943,527,624

2. Allowance for doubtful debts

Movements of allowance for doubtful debts during the period were as follows:

	Nine-month period ended	Nine-month period ended
	30/9/2023	30/9/2022
	VND	VND
Opening balance	(13,445,724,800)	(12,257,493,261)
Increase in allowance during the period	(1,205,306,529)	(1,203,771,340)
Allowance utilised during the period	-	14,616,823
Allowance written back during the period	10,000,000	35,115,103
Currency translation differences	(140,702,710)	(160,975,315)
Closing balance	(14,781,734,039)	(13,572,507,990)

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

3. Other receivables

(a) Other short-term receivables

	30/9/2023	1/1/2023
	VND	VND
Interest income and dividends	736,418,897,154	457,294,545,422
Receivables from employees	4,152,639,404	1,169,913,026
Advances to employees	6,634,859,520	44,429,612,864
Short-term deposits	392,106,974	905,426,334
Import tax refundable	2,418,735,725	2,555,575,760
Rebate income receivable from suppliers	6,233,316,166	214,341,684,142
Others	124,666,158,974	169,769,443,023
	880,916,713,917	890,466,200,571

(b) Other long-term receivables

	30/9/2023	1/1/2023
	VND	VND
Collateral, deposits	14,146,741,451	35,422,722,715
Others	2,000,000,000	3,000,000,000
	16,146,741,451	38,422,722,715

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

4. Investments

(a) Trading securities

	30/9/2023			1/1/2023		
	Carrying amount VND	Fair value VND	Allowance for diminution in value VND	Carrying amount VND	Fair value VND	Allowance for diminution in value VND
Short-term investments in shares	1,195,020,206	484,056,551	(710,963,655)	1,159,355,253	469,610,056	(689,745,197)

(b) Held-to-maturity investments

	30/9/2023 VND	1/1/2023 VND
Held-to-maturity investments – short-term		
▪ term deposits	19,011,639,560,625	17,413,585,718,627
Held-to-maturity investments – long-term		
▪ term deposits	700,244,600,000	-



Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(c) Investments in other entities

	30/9/2023				1/1/2023			
	% of equity owned and voting rights	Equity accounted/ cost VND	Fair value VND	Allowance for diminution in value VND	% of equity owned and voting rights	Equity accounted/ cost VND	Fair value VND	Allowance for diminution in value VND
Investments in associates, joint venture								
▪ Miraka Holdings Limited	13.55%	255,180,881,977	(*)	-	16.96%	287,362,154,997	(*)	-
▪ APIS Corporation	20.00%	44,345,457,411	(*)	-	20.00%	39,499,496,146	(*)	-
▪ Asia Coconut Processing Joint Stock Company	24.96%	170,062,405,652	(*)	-	24.96%	150,355,490,875	(*)	-
▪ Del Monte – Vinamilk Dairy Inc., Philippines	50.00%	564,853,935	(*)	-	50.00%	593,854,138	(*)	-
▪ Indirectly owned associates through Vietnam Livestock Corporation – Joint Stock Company		176,025,173,366	(*)	-		186,491,781,862	(*)	-
		<u>646,178,772,341</u>		<u>-</u>		<u>664,302,778,018</u>		<u>-</u>
Equity investments in other entities								
▪ Asia Saigon Food Ingredients Joint Stock Company	14.71%	69,261,607,154	(*)	-	14.71%	69,261,607,154	(*)	-
▪ An Khang Clinic – Pharmacy		300,000,000	(*)	-		300,000,000	(*)	-
▪ Others		32,414,891,927	(*)	(23,582,690,668)		32,388,611,927	(*)	(23,582,690,668)
		<u>101,976,499,081</u>		<u>(23,582,690,668)</u>		<u>101,950,219,081</u>		<u>(23,582,690,668)</u>
		<u>748,155,271,422</u>		<u>(23,582,690,668)</u>		<u>766,252,997,099</u>		<u>(23,582,690,668)</u>

(*) At the reporting date, the Group has not determined fair values of these financial instruments for disclosure in the consolidated interim financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of these financial instruments may differ from their carrying amounts.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Movements of equity investments in associates, joint venture during the period were as follows:

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	664,302,778,018	661,023,754,422
Investments	35,769,832,735	30,900,000,000
Dividends received	(1,300,000,000)	(1,800,000,000)
Share of loss in associates	(52,593,838,412)	(19,919,393,354)
Closing balance	646,178,772,341	670,204,361,068

Movements in the allowance for diminution in the value of trading securities during the period were as follows:

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	(689,745,197)	(666,201,430)
Currency translation differences	(21,218,458)	(31,682,354)
Closing balance	(710,963,655)	(697,883,784)

There were no movements in the allowance for diminution in the value of long-term financial investments during the nine-month period ended 30 September 2023 and 30 September 2022.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

5. Inventories

	30/9/2023		1/1/2023	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	706,927,571,100	-	812,950,683,637	-
Raw materials	3,159,194,297,587	(21,807,785,693)	3,365,992,574,670	(20,772,142,150)
Tools and supplies	80,679,893,885	(363,971,108)	93,825,867,140	(374,613,608)
Work in progress	351,744,606,078	-	199,435,483,074	-
Finished goods	1,345,338,449,187	(3,730,005,128)	1,024,111,382,368	(1,459,301,629)
Merchandise inventories	65,103,411,573	-	37,037,692,091	-
Goods on consignment	14,686,250,639	-	26,815,770,524	-
	5,723,674,480,049	(25,901,761,929)	5,560,169,453,504	(22,606,057,387)

Movements in the allowance for inventories during the period were as follows:

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	(22,606,057,387)	(47,414,757,653)
Increase in allowance during the period	(11,451,034,331)	(5,044,466,315)
Allowance written back during the period	4,929,733,864	34,073,311,574
Allowance utilised during the period	3,225,595,925	3,245,102,092
Currency translation differences	-	(485,159,542)
Closing balance	(25,901,761,929)	(15,625,969,844)

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

6. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Livestock VND	Others VND	Total VND
Cost							
Opening balance	5,881,016,519,630	19,147,322,394,005	1,352,376,250,283	726,486,499,666	1,384,952,238,165	10,003,369,118	28,502,157,270,867
Additions	1,727,311,001	74,401,324,869	10,736,499,868	22,682,860,755	409,550,000	-	109,957,546,493
Transfer from construction in progress	266,876,216,077	1,076,864,178,938	15,724,896,229	12,022,443,164	-	6,588,055,679	1,378,075,790,087
Transfer from inventories	-	-	-	-	313,147,700,019	-	313,147,700,019
Disposals/write off	(6,515,268,059)	(43,173,166,268)	(9,012,311,928)	(1,640,912,937)	(208,984,255,337)	-	(269,325,914,529)
Reclassification	3,879,675,585	11,827,294,003	695,000,000	(213,954,386)	-	(16,188,015,202)	-
Other decreases	-	-	-	(105,315,998)	(57,827,411,169)	-	(57,932,727,167)
Currency translation differences	7,898,353,541	36,536,184,061	3,055,406,562	890,568,928	2,215,287,331	12,409,951	50,608,210,374
Closing balance	6,154,882,807,775	20,303,778,209,608	1,373,575,741,014	760,122,189,192	1,433,913,109,009	415,819,546	30,026,687,876,144
Accumulated depreciation							
Opening balance	2,646,881,495,495	13,051,279,679,438	940,586,878,125	578,470,807,234	417,804,067,701	6,767,835,452	17,641,790,763,445
Charge for the period	222,328,708,025	987,710,336,615	71,502,632,671	36,701,206,645	176,050,979,103	649,762,885	1,494,943,625,944
Disposals/write off	(4,518,291,877)	(41,715,819,917)	(7,892,256,531)	(1,580,202,593)	(96,972,830,093)	-	(152,679,401,011)
Reclassification	3,458,747,906	3,490,668,899	266,416,574	(14,135,724)	(1,229)	(7,201,696,426)	-
Other decreases	-	-	-	(40,956,221)	(28,163,786,658)	-	(28,204,742,879)
Currency translation differences	3,088,856,174	21,627,675,963	2,159,847,546	705,211,777	259,822,743	6,480,035	27,847,894,238
Closing balance	2,871,239,515,723	14,022,392,540,998	1,006,623,518,385	614,241,931,118	468,978,251,567	222,381,946	18,983,698,139,737
Net book value							
Opening balance	3,234,135,024,135	6,096,042,714,567	411,789,372,158	148,015,692,432	967,148,170,464	3,235,533,666	10,860,366,507,422
Closing balance	3,283,643,292,052	6,281,385,668,610	366,952,222,629	145,880,258,074	964,934,857,442	193,437,600	11,042,989,736,407

Included in the cost of tangible fixed assets were assets costing VND9,920,516 million which were fully depreciated as at 30 September 2023 (1/1/2023: VND6,688,784 million), but which are still in active use.

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

7. Intangible fixed assets

	Land use rights VND	Trademark VND	Raw material area VND	Software VND	Others VND	Total VND
Cost						
Opening balance	718,445,333,194	276,413,594,392	164,964,058,635	142,106,529,396	51,494,099,288	1,353,423,614,905
Additions	-	-	-	266,000,000	206,610,003	472,610,003
Transfer from construction in progress	-	-	-	3,107,280,520	-	3,107,280,520
Other decreases	-	-	-	(307,150,000)	-	(307,150,000)
Currency translation differences	6,726,740,512	-	-	209,513,723	1,584,099,978	8,520,354,213
Closing balance	725,172,073,706	276,413,594,392	164,964,058,635	145,382,173,639	53,284,809,269	1,365,216,709,641
Accumulated amortisation						
Opening balance	67,527,156,566	48,778,869,598	32,992,811,727	126,400,541,507	34,883,099,989	310,582,479,387
Charge for the period	12,459,420,317	12,194,717,400	8,248,202,931	7,352,460,628	16,328,855	40,271,130,131
Other decreases	-	-	-	(132,622,221)	-	(132,622,221)
Currency translation differences	-	-	-	139,415,851	1,073,099,996	1,212,515,847
Closing balance	79,986,576,883	60,973,586,998	41,241,014,658	133,759,795,765	35,972,528,840	351,933,503,144
Net book value						
Opening balance	650,918,176,628	227,634,724,794	131,971,246,908	15,705,987,889	16,610,999,299	1,042,841,135,518
Closing balance	645,185,496,823	215,440,007,394	123,723,043,977	11,622,377,874	17,312,280,429	1,013,283,206,497

Included in the cost of intangible fixed assets were assets costing VND101,616 million which were fully amortised as at 30 September 2023 (1/1/2023: VND93,914 million), but which are still in active use.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

8. Investment property

	Land use rights VND	Infrastructure VND	Buildings VND	Total VND
Cost				
Opening balance and closing balance	39,821,793,375	982,364,064	58,018,521,446	98,822,678,885
Accumulated depreciation				
Opening balance	8,073,602,099	982,364,064	32,172,904,939	41,228,871,102
Charge for the period	649,254,519	-	856,308,578	1,505,563,097
Closing balance	8,722,856,618	982,364,064	33,029,213,517	42,734,434,199
Net book value				
Opening balance	31,748,191,276	-	25,845,616,507	57,593,807,783
Closing balance	31,098,936,757	-	24,989,307,929	56,088,244,686

The Group's investment property represented land use rights, buildings and infrastructure held for earning rental income.

At the reporting date, the Group has not determined fair values of investment property held to earn rental for disclosure in the consolidated interim financial statements because there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair values of investment property held to earn rental may differ from its carrying amounts.

Included in the cost of investment property held to earn rental was assets costing VND17,887 million which were fully depreciated as at 30 September 2023 (1/1/2023: VND17,421 million), but which are still in active use.

9. Long-term work in progress

Long-term work in progress represented cows under 16 months of age, which will be transferred to tangible fixed assets under livestock category at the end of the sixteen-month period, when the cows are ready for milk production.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

10. Construction in progress

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	1,470,582,553,037	834,818,937,515
Additions	1,066,926,156,223	834,930,768,730
Transfer to tangible fixed assets	(1,378,075,790,087)	(362,286,985,606)
Transfer to intangible fixed assets	(3,107,280,520)	(3,833,223,720)
Transfer to inventories	(4,177,460,457)	(34,740,968,250)
Transfer to short-term prepaid expenses	(2,451,363,745)	(775,960,027)
Transfer to long-term prepaid expenses	(9,199,999,219)	(8,540,001,673)
Other increases/(decreases)	25,909,674,910	(8,051,110,105)
Currency translation differences	26,657,342,431	31,231,699,438
Closing balance	1,193,063,832,573	1,282,753,156,302

Major constructions in progress by the entities within the Group were as follows:

	30/9/2023	1/1/2023
	VND	VND
Lao-Jagro Development Xiengkhouang Co., Ltd.	831,465,282,220	721,671,943,606
Vietnam Dairy Products Joint Stock Company	133,057,736,406	431,377,363,957
Others	228,540,813,947	317,533,245,474
	1,193,063,832,573	1,470,582,553,037

11. Prepaid expenses

(a) Short-term prepaid expenses

	30/9/2023	1/1/2023
	VND	VND
Software deployment and networks maintenance	17,382,190,935	8,657,427,608
Tools and supplies	16,986,984,820	12,657,028,624
Operating lease	7,463,596,370	3,473,362,556
Renovation and repair	2,462,153,815	1,997,822,909
Advertising	1,308,274,761	173,480,476
Cows isolated for testing and bovine semen used for insemination	1,976,980,615	1,492,271,346
Other short-term prepaid expenses	29,138,632,027	69,119,299,524
	76,718,813,343	97,570,693,043

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(b) Long-term prepaid expenses

	Prepaid land costs VND	Tools and instruments VND	Others VND	Total VND
Opening balance	408,918,954,639	303,805,593,530	60,080,114,972	772,804,663,141
Additions	48,295,757,549	121,804,315,637	49,770,631,226	219,870,704,412
Transfer from construction in progress	-	3,753,323,095	5,446,676,124	9,199,999,219
Amortisation for the period	(11,684,906,111)	(132,746,329,165)	(34,466,813,255)	(178,898,048,531)
Other decreases	(867,290,440)	-	(13,043,092,482)	(13,910,382,922)
Reclassification	249,996,350	-	(249,996,350)	-
Currency translation differences	4,544,240,360	22,980,561	580,087,947	5,147,308,868
Closing balance	449,456,752,347	296,639,883,658	68,117,608,182	814,214,244,187

12. Deferred tax assets and liabilities

(a) Deferred tax assets

	30/9/2023 VND	1/1/2023 VND
Deferred tax assets		
Foreign exchange differences	-	1,170,509,495
Accrued expenses and provisions and fixed assets	-	33,814,693,966
	-	34,985,203,461



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(b) Deferred tax liabilities – net

	30/9/2023	1/1/2023
	VND	VND
Deferred tax assets		
Tax losses carry forwards	40,666,902,480	48,654,734,310
Accrued expenses	14,098,389,369	7,671,837,810
Accounts receivable	1,068,657,400	839,069,070
Others	4,465,999,425	3,596,732,370
	<hr/>	<hr/>
Total deferred tax assets	60,299,948,674	60,762,373,560
	<hr/>	<hr/>
Deferred tax liabilities		
Fixed assets	(260,345,404,193)	(293,266,548,176)
Others	(80,788,597,748)	(55,478,119,993)
	<hr/>	<hr/>
Total deferred tax liabilities	(341,134,001,941)	(348,744,668,169)
	<hr/>	<hr/>
Net deferred tax liabilities	(280,834,053,267)	(287,982,294,609)
	<hr/>	<hr/>

Deferred tax assets have been recognised on taxable temporary differences and tax losses incurred at Driftwood Dairy Holding Corporation, a subsidiary incorporated and operating in the United States of America, using its effective tax rate.

13. Goodwill

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	1,567,467,775,162	1,813,007,890,387
Charge for the period	(184,155,086,419)	(184,155,086,419)
	<hr/>	<hr/>
Closing balance	1,383,312,688,743	1,628,852,803,968
	<hr/>	<hr/>

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

14. Accounts payable to suppliers

Accounts payable to related parties

	30/9/2023	1/1/2023
	VND	VND
Associates		
APIS Corporation	34,872,467,794	84,876,556,696
Asia Coconut Processing Joint Stock Company	2,631,214,960	2,503,728,482
Asia Sai Gon Food Ingredients Joint Stock Company	30,715,200	388,800,000
Miraka Holdings Limited	-	133,471,803,087

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

15. Borrowings

(a) Short-term borrowings

	1/1/2023 VND	Addition VND	Paid VND	Reclassification VND	Currency translation differences VND	30/9/2023 VND
Short-term borrowings	4,848,264,489,103	13,944,368,773,000	(11,994,635,285,327)	(17,985,584,662)	2,187,607,886	6,782,200,000,000
Current portion of long-term borrowings	18,865,350,000	-	(14,230,102,500)	84,761,077,506	2,335,792,854	91,732,117,860
	4,867,129,839,103	13,944,368,773,000	(12,008,865,387,827)	66,775,492,844	4,523,400,740	6,873,932,117,860

Terms and conditions of outstanding short-term borrowings were as follows:

Lenders	Note	Currency	30/9/2023 VND	1/1/2023 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam	(i)	VND	4,140,000,000,000	2,260,267,036,000
Sumitomo Mitsui Banking Corporation, Ho Chi Minh City Branch	(i)	USD	1,716,480,000,000	1,150,000,000,000
DBS Bank, Singapore	(i)	USD	476,800,000,000	1,137,500,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	(i)	VND	400,000,000,000	-
HSBC Bank (Vietnam) Limited, Ho Chi Minh City Branch	(i)	VND	-	126,080,577,000
ANZ Bank Vientiane	(i)	USD	-	17,883,094,110
HSBC Bank USA	(*)	USD	48,920,000,000	156,533,781,993
			6,782,200,000,000	4,848,264,489,103

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(i) These borrowings were unsecured.

(*) This borrowing was secured by assets with carrying amount of VND775,993 million as at 30 June 2023 (1/1/2023: VND896,805 million).

(b) Long-term borrowings

	1/1/2023 VND	Addition VND	Paid VND	Reclassification VND	Currency translation differences VND	30/9/2023 VND
Long-term borrowings	84,894,075,000	276,402,479,978	-	3,755,482,162	9,584,416,260	374,636,453,400
Current portion of long-term borrowings	(18,865,350,000)	-	14,230,102,500	(84,761,077,506)	(2,335,792,854)	(91,732,117,860)
	66,028,725,000	276,402,479,978	14,230,102,500	(81,005,595,344)	7,248,623,406	282,904,335,540

Terms and conditions of outstanding long-term borrowings were as follows:

Lenders	Note	Currency	Year of maturity	30/9/2023 VND	1/1/2023 VND
HSBC Bank USA	(*)	USD	2024	72,921,375,000	84,894,075,000
ANZ Bank Vientiane	(i)	USD	2026	301,715,078,400	-
				374,636,453,400	84,894,075,000

(i) This borrowing was unsecured.

(*) This borrowing was secured by the same pledge assets of the borrowing in note 15(a).



Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

16. Taxes payable to State Treasury

	1/1/2023 VND	Incurred VND	Paid VND	Currency translation differences VND	30/9/2023 VND
Value added tax	165,355,742,040	1,650,742,494,513	(832,247,872,660)	10,459,600	983,860,823,493
Corporate income tax	418,101,152,888	1,421,197,357,086	(728,954,499,997)	859,294,931	1,111,203,304,908
Personal income tax	6,551,877,381	140,649,320,901	(128,832,764,877)	8,690,502	18,377,123,907
Import tax	7,577,932,115	53,977,813,738	(60,104,180,644)	18,297,936	1,469,863,145
Other taxes	548,423,871	83,595,938,300	(71,793,066,499)	(1,102,029)	12,350,193,643
	598,135,128,295	3,350,162,924,538	(1,821,932,384,677)	895,640,940	2,127,261,309,096

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

17. Accrued expenses

	30/9/2023	1/1/2023
	VND	VND
Sale incentives, promotion	883,688,567,202	886,202,042,098
Advertising expenses	316,370,545,143	339,732,444,471
Transportation expenses	92,765,120,374	80,876,367,744
Interest expenses	73,173,077,403	59,910,322,507
Expenses for outsourced employees	52,066,472,608	46,939,692,451
Rental fees	31,356,258,065	18,623,204,640
Repair and maintenance expenses	25,557,783,154	15,984,085,729
Fuel expenses	13,639,288,460	7,712,203,638
Others	231,385,422,371	164,894,175,165
	1,720,002,534,780	1,620,874,538,443

18. Other payables

	30/9/2023	1/1/2023
	VND	VND
Deposits received	25,389,511,497	79,829,249,889
Insurance and trade union fees	9,171,874,750	3,656,536,904
Dividend payables	5,153,546,977,380	2,926,103,293,830
Others	71,384,755,473	49,664,289,613
	5,259,493,119,100	3,059,253,370,236
Of which:		
Short-term	5,258,187,477,813	3,055,541,590,234
Long-term	1,305,641,287	3,711,780,002

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

19. Provision

	30/9/2023	1/1/2023
	VND	VND
Provision for severance allowance (*)	5,856,849,810	8,096,601,309
Others	4,516,071,540	18,539,158,003
	10,372,921,350	26,635,759,312

(*) Movements of provision for severance allowance during the period as follows:

	Nine-month period ended	Nine-month period ended
	30/9/2023	30/9/2022
	VND	VND
Opening balance	8,096,601,309	6,438,083,860
Increase in provision during the period	1,877,469,002	4,507,345,158
Provision utilised during the period	(4,037,500,000)	(6,526,434,616)
Provision written back during the period	(79,720,501)	(15,116,649)
Closing balance	5,856,849,810	4,403,877,753

20. Bonus and welfare fund

This fund is established by appropriating amounts from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the Company's and subsidiaries' employees in accordance with the Company's bonus and welfare policies.

Movements of bonus and welfare fund during the period were as follows:

	Nine-month period ended	Nine-month period ended
	30/9/2023	30/9/2022
	VND	VND
Opening balance	402,163,642,465	507,365,624,913
Appropriation (Note V.21)	724,241,274,872	740,244,424,165
Other increases	3,300,000	11,920,000
Utilisation	(742,351,608,960)	(988,424,948,555)
Closing balance	384,056,608,377	259,197,020,523

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

21. Changes in owners' equity

	Share capital VND	Share premium VND	Other capital VND	Foreign exchange differences VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
As at 1 January 2022	20,899,554,450,000	34,110,709,700	202,658,418,215	253,569,601	4,352,441,335,060	7,594,260,378,375	2,766,835,388,433	35,850,114,249,384
Merger of two subsidiaries	-	-	-	-	-	54,397,598,863	(54,397,598,863)	-
Net profit for the period	-	-	-	-	-	6,646,898,122,727	61,555,638,810	6,708,453,761,537
Appropriation to equity funds	-	-	-	-	712,630,267,204	(712,630,267,204)	-	-
Appropriation to bonus and welfare fund (Note V.20)	-	-	-	-	-	(721,766,619,846)	(18,477,804,319)	(740,244,424,165)
Dividends (Note V.23)	-	-	-	-	-	(8,046,328,463,250)	-	(8,046,328,463,250)
Dividends of a subsidiary to non-controlling interest	-	-	-	-	-	-	(52,548,358,500)	(52,548,358,500)
Currency translation differences	-	-	-	124,938,616,763	-	-	-	124,938,616,763
As at 1 October 2022	20,899,554,450,000	34,110,709,700	202,658,418,215	125,192,186,364	5,065,071,602,264	4,814,830,749,665	2,702,967,265,561	33,844,385,381,769
Contributed capital to subsidiaries	-	-	-	-	-	-	338,100,000,000	338,100,000,000
Net profit for the period	-	-	-	-	-	1,869,125,571,613	(4,013,443)	1,869,121,558,170
Appropriation to equity funds	-	-	-	-	201,689,982,709	(201,689,982,709)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(202,860,622,901)	(5,468,830,517)	(208,329,453,418)
Other increases/(decreases)	-	-	-	-	-	(2)	43,503	43,501
Dividends	-	-	-	-	-	(2,925,937,623,000)	-	(2,925,937,623,000)
Dividends of a subsidiary to non-controlling interest	-	-	-	-	-	-	(68,127,413,800)	(68,127,413,800)
Currency translation differences	-	-	-	(32,694,138,137)	-	-	-	(32,694,138,137)
As at 1 January 2023	20,899,554,450,000	34,110,709,700	202,658,418,215	92,498,048,227	5,266,761,584,973	3,353,468,092,666	2,967,467,051,304	32,816,518,355,085

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Share capital VND	Share premium VND	Other capital VND	Foreign exchange differences VND	Investment and development fund VND	Retained profits VND	Non-controlling interest VND	Total VND
As at 1 January 2023	20,899,554,450,000	34,110,709,700	202,658,418,215	92,498,048,227	5,266,761,584,973	3,353,468,092,666	2,967,467,051,304	32,816,518,355,085
Capital contributed by non-controlling interest to a subsidiary	-	-	-	-	-	-	489,979,882,000	489,979,882,000
Capital refunded to a non-controlling interest of a dissolved subsidiary	-	-	-	-	-	-	(142,548,827,636)	(142,548,827,636)
Change in the economic interest in a subsidiary	-	-	-	-	-	(2,244,994,802)	2,244,994,802	-
Net profit for the period	-	-	-	-	-	6,547,798,456,797	120,850,218,299	6,668,648,675,096
Appropriation to equity funds	-	-	-	-	665,445,274,847	(665,445,274,847)	-	-
Appropriation to bonus and welfare fund (Note V.20)	-	-	-	-	-	(701,873,932,990)	(22,367,341,882)	(724,241,274,872)
Dividends (Note V.23)	-	-	-	-	-	(5,120,390,840,250)	-	(5,120,390,840,250)
Dividends of a subsidiary to non-controlling interest	-	-	-	-	-	-	(68,127,442,800)	(68,127,442,800)
Currency translation differences	-	-	-	83,225,482,684	-	-	-	83,225,482,684
As at 30 September 2023	20,899,554,450,000	34,110,709,700	202,658,418,215	175,723,530,911	5,932,206,859,820	3,411,311,506,574	3,347,498,534,087	34,003,064,009,307

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

22. Share capital

The Company's authorised and issued share capital are:

	30/9/2023 and 1/1/2023	
	Number of shares	VND
Authorised share capital	2,089,955,445	20,899,554,450,000
Issued shares		
Ordinary shares	2,089,955,445	20,899,554,450,000
Shares currently in circulation		
Ordinary shares	2,089,955,445	20,899,554,450,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

Details of share capital:

	30/9/2023 and 1/1/2023	
	VND	%
The State Capital Investment Corporation	7,524,766,020,000	36.00%
Other shareholders' capital	13,374,788,430,000	64.00%
	20,899,554,450,000	100.00%

23. Dividends

On 25 April 2023, the Board of Directors of the Company resolved to distribute dividends in relation to 2022 and 2023 profits, in total amounting to VND5,120,391 million (VND950 per share for the remaining distribution for the fiscal year 2022 and VND1,500 per share for the first advance distribution for the fiscal year 2023). For the nine-month period ended 30 September 2022: dividend distributions were VND8,046,328 million (VND1,400 per share for second advance distribution for the fiscal year 2021, and VND2,450 per share for the remaining distribution for the fiscal year 2021 and for the first advance distribution for the fiscal year 2022).

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

24. Off balance sheet item

Foreign currencies

	30/9/2023		1/1/2023	
	Original currency	VND equivalent	Original currency	VND equivalent
▪ USD	2,716,170	65,514,018,712	1,949,585	45,639,789,532
▪ EUR	21,791	552,237,961	33,756	829,950,721
		66,066,256,673		46,469,740,253

**VI. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE
CONSOLIDATED STATEMENT OF INCOME**

1. Revenue from sales of goods and provision of services

Total revenue represented the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised:

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Total revenue		
▪ Sales of finished goods	42,629,461,415,719	42,324,806,417,908
▪ Sales of merchandise goods	2,026,278,872,585	2,412,854,165,123
▪ Services rendered	35,340,363,344	29,922,189,377
▪ Rental income from investment property	6,781,093,660	5,549,654,928
▪ Others	150,591,952,153	220,864,604,189
	44,848,453,697,461	44,993,997,031,525
Less revenue deductions		
▪ Sale discounts	21,063,989,321	67,880,563,986
▪ Sale returns	77,185,141,125	38,523,927,574
	98,249,130,446	106,404,491,560
Net revenue	44,750,204,567,015	44,887,592,539,965

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

In which revenue from sales to related parties were as follows:

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Associates and joint venture		
Del Monte – Vinamilk Dairy Inc., Philippines	36,547,763,621	47,910,477,057
APIS Corporation	8,378,422,850	-
Asia Coconut Processing Joint Stock Company	299,107,953	-

2. Cost of sales

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Total cost of sales		
▪ Finished goods sold	24,191,868,762,274	24,045,482,169,043
▪ Merchandise goods sold	1,930,912,986,702	2,320,830,884,194
▪ Cost of promotional goods	391,013,533,760	385,991,716,027
▪ Operating costs of investment property	1,292,595,499	1,232,518,645
▪ Services rendered	2,520,779,657	852,778,307
▪ Allowance for inventories	6,521,300,467	(29,028,845,259)
▪ Other cost of sales	122,955,584,736	110,588,224,346
	26,647,085,543,095	26,835,949,445,303

3. Financial income

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Interest income from deposits	1,147,939,473,439	884,630,465,171
Foreign exchange gains	99,849,433,001	68,526,926,682
Dividend income	8,786,745	11,712,088,526
Others	39,701,177,653	35,844,176,137
	1,287,498,870,838	1,000,713,656,516

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

4. Financial expenses

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Interest expense on borrowings	257,863,234,094	112,812,544,948
Interest expense on deposits received	758,142,839	831,427,861
Foreign exchange losses	93,236,268,778	152,233,566,193
Payment discounts for customers	18,216,959,581	13,218,806,873
Others	14,262,326,381	131,198,078,510
	384,336,931,673	410,294,424,385

5. Selling expenses

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Promotion, product display expenses, support, and commission expenses for distributors	6,776,767,954,872	6,409,635,060,366
Advertising and market research expenses	797,466,703,558	817,782,877,957
Transportation expenses	535,555,458,063	693,429,925,872
Staff costs	564,822,763,615	541,871,656,107
Outside service expenses	606,792,377,350	508,024,695,297
Tools and supplies expenses	109,245,538,159	97,271,297,818
Materials expenses	55,977,447,038	61,994,656,703
Depreciation expenses	40,330,731,728	39,063,847,980
Warranty expenses	37,421,310,182	44,133,680,360
	9,524,380,284,565	9,213,207,698,460

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

6. General and administration expenses

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Staff costs	479,225,926,920	408,406,908,667
Outside service expenses	258,292,817,135	250,041,677,710
Depreciation expenses	60,870,685,162	62,748,469,667
Transportation expenses	41,642,290,008	34,288,082,864
Per-diem allowances	37,183,045,285	27,768,091,261
Taxes, fees and duties	35,831,007,165	44,474,418,872
Materials expenses	32,598,341,793	37,549,405,196
Loading expenses	18,715,213,305	12,967,845,961
Office supplies	17,633,541,267	17,397,393,052
Bank charges	9,658,971,204	8,997,773,872
Allowance for doubtful debts and provision for severance allowance	2,993,055,030	5,660,884,746
Goodwill amortisation	184,155,086,419	184,155,086,419
Others	72,696,414,090	52,463,224,320
	1,251,496,394,783	1,146,919,262,607

7. Other income

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Proceeds from disposals of fixed assets	76,981,788,910	105,738,145,568
Compensations received from other parties	7,136,514,414	6,562,959,718
Rebate income from suppliers	-	9,002,789,915
Others	28,469,057,491	19,352,324,425
	112,587,360,815	140,656,219,626

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

8. Other expenses

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Book value of fixed assets disposed/written off	116,646,513,518	171,875,297,703
Others	57,916,501,515	30,504,459,385
	174,563,015,033	202,379,757,088

9. Production and business costs by element

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Raw material costs included in production costs	21,403,200,994,851	21,130,636,228,925
Labour costs and staff costs	2,061,744,099,685	1,905,765,844,251
Depreciation and amortisation	1,526,814,839,455	1,566,401,914,134
Outside services	2,411,760,079,055	2,458,421,105,865
Other expenses	8,670,791,122,928	8,298,348,425,006

10. Income tax

(a) Recognised in the consolidated statement of income

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Current tax expense	1,421,197,357,086	1,487,001,478,048
<i>In which: current tax (income)/expense relating to taxable income of prior periods</i>	<i>(28,127,282,701)</i>	<i>14,978,376,522</i>
Deferred tax expense		
Origination and reversal of temporary differences	25,988,758,925	4,837,195,325
Income tax expense	1,447,186,116,011	1,491,838,673,373

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(b) Reconciliation of effective tax rate

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Accounting profit before tax	8,115,834,791,107	8,200,292,434,910
Tax at the Company's tax rate	1,623,166,958,221	1,640,058,486,982
Tax rate differential applied to Company's subsidiaries, branches and factories	(58,270,146,747)	(78,616,785,366)
Tax exempt income	1,757,349	(2,342,417,705)
Non-deductible expenses	8,327,343,598	8,979,181,566
Tax incentives	(194,376,720,174)	(146,480,611,166)
Changes in deferred tax assets not recognised	96,464,206,465	55,262,442,540
Current tax (income)/expense relating to taxable income of prior periods	(28,127,282,701)	14,978,376,522
Income tax expense	1,447,186,116,011	1,491,838,673,373

(c) Applicable tax rates

The companies in the Group are required to pay income tax at rates ranging from 10% to 21%, depending on principal activities of their factories and branches, on taxable profits. The Company and its subsidiaries incurred the income tax charges.



Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

11. Basic earnings per share

The calculation of earnings per share for the nine-month period ended 30 September 2023 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare fund and a weighted average number of ordinary shares outstanding, calculated as follows:

(a) Net profit attributable to ordinary shareholders

	Nine-month period ended	
	30/9/2023	30/9/2022
	VND	VND
Net profit for the period – attributable to ordinary shareholders before appropriation to bonus and welfare fund	6,547,798,456,797	6,646,898,122,727
Appropriation to bonus and welfare fund – attributable to ordinary shareholders	(701,873,932,990)	(721,766,619,846)
Net profit for the period attributable to ordinary shareholders after appropriation to bonus and welfare fund	5,845,924,523,807	5,925,131,502,881

(b) Weighted average number of ordinary shares

	Nine-month period ended	
	30/9/2023	30/9/2022
	Number of shares	Number of shares
Issued ordinary shares at the beginning of the period and weighted average number of ordinary shares during the period	2,089,955,445	2,089,955,445

As at 30 September 2023, the Group did not have potentially dilutive ordinary shares.

Vietnam Dairy Products Joint Stock Company and its subsidiaries
Notes to the consolidated interim financial statements for the nine-month period ended
30 September 2023 (continued)

Form B 09a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

VII. OTHER INFORMATION

1. Significant transactions with related parties

In addition to related party balances and transactions disclosed in other notes to the consolidated interim financial statements, the Group had the following significant transactions with related parties during the period:

Related party	Relationship	Nature of transaction	Nine-month period ended	
			30/9/2023 VND	30/9/2022 VND
Miraka Holdings Limited	Associate	Purchases of goods	87,408,326,637	97,573,710,113
APIS Corporation	Associate	Purchases of goods	218,600,006,013	371,468,568,667
		Other income	120,834,000	-
		Dividends	1,300,000,000	-
Asia Coconut Processing Joint Stock Company	Associate	Purchases of goods and services	25,195,476,296	31,389,698,732
		Purchases of shares	-	30,900,000,000
Del Monte – Vinamilk Dairy Inc., Philippines	Joint venture	Capital contribution	35,769,832,735	-
		Other income	210,511,364	-
The State Capital Investment Corporation	Shareholder	Dividends	1,843,567,674,900	2,897,034,917,700
Members of Board of Management and Board of Directors		Compensation	68,365,166,486	87,343,937,746

Vietnam Dairy Products Joint Stock Company and its subsidiaries

Notes to the consolidated interim financial statements for the nine-month period ended 30 September 2023 (continued)

Form B 09a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

2. Segment information

Segment information is presented in respect of the Group's primary segment, which is the geographical segment.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise assets and liabilities, financial income and expenses, selling expenses, general and administration expenses, other gains or losses, and corporate income tax.

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers, which is located in Vietnam ("Domestic") or countries other than Vietnam ("Overseas"). Segment assets and capital expenditure are not presented since most of assets and production facilities are in Vietnam.

	Domestic (Customers located in Vietnam)		Overseas (Customers located in countries other than Vietnam)		Total	
	Nine-month period ended		Nine-month period ended		Nine-month period ended	
	30/9/2023	30/9/2022	30/9/2023	30/9/2022	30/9/2023	30/9/2022
	VND	VND	VND	VND	VND	VND
Net revenue	37,532,446,779,479	37,904,141,542,958	7,217,757,787,536	6,983,450,997,007	44,750,204,567,015	44,887,592,539,965
Cost of sales	(22,093,804,214,499)	(22,375,143,310,745)	(4,553,281,328,596)	(4,460,806,134,558)	(26,647,085,543,095)	(26,835,949,445,303)
Segment gross profit	15,438,642,564,980	15,528,998,232,213	2,664,476,458,940	2,522,644,862,449	18,103,119,023,920	18,051,643,094,662

30 October 2023

Prepared by:



Le Thanh Liem
Executive Director – Finance
cum Chief Accountant



Approved by:



Vu Kieu Lien
Chief Executive Officer